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Palau

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Palau, formerly a U.N. trusteeship administered by the United States, became an independent nation in free association with the United States on October 1, 1994. The democratically elected government is modeled after that of the United States. The Constitution provides for executive and legislative branches and free and fair elections. The legislature, the Olbiil Era Kelulau, consists of 2 equal houses, the 9-member Senate and the 16-member House of Delegates. Members of the Olbiil Era Kelulau are elected for 4-year terms. The President and Vice President also are elected for 4-year terms. In the November 2000 general elections, Vice President Tommy E. Remengesau, Jr., won the presidential race and Senator Sandra S. Peratozzi became the first woman vice president. The country is organized politically into 16 states. The judiciary is independent.

Palau has no security forces other than local police and civilian law enforcement personnel; all are under the effective control of the civilian authorities. The country also has a Marine Law Enforcement Division that patrols its borders with assistance from the Australian Government. Under the Compact of Free Association, the United States is responsible for the country's defense.

The country's population is approximately 19,100. The per capita gross domestic product is \$7,510, according to the latest report in 2000. The country's small, market-based economy is largely sustained by transfer payments from the United States. The Government employs nearly half of the work force. Tourism and other service sectors account for most other paid employment. Tuna, harvested by foreign-operated fleets, is the dominant export. Several small-scale operations, employing foreign workers, assemble clothing from imported materials for export. Traditional subsistence agriculture and fishing are diminishing as persons move to urban areas in search of employment. An increasing number of Chinese farmers operate vegetable farms that compete with indigenous farmers; most indigenous farmers work and sell what they produce from their own land.

The Government generally respected the human rights of its citizens; however, there were problems in a few areas. Traditional customs sustain a value system that discriminates between persons on the basis of social status and sex. The loosening ties of the extended family and the increasing abuse of alcohol and other drugs are major contributing factors that lead to instances of domestic violence and child neglect. Societal discrimination and some abuse against certain foreign workers, who account for nearly 30 percent of the population and 73 percent of the paid work force, is also a serious problem. There were reports of persons being trafficked to the country from the People's Republic of China, the Philippines, and Taiwan.

RESPECT FOR HUMAN RIGHTS

Section 1 Respect for the Integrity of the Person, Including Freedom From:

a. Arbitrary or Unlawful Deprivation of Life

There were no reports of the arbitrary or unlawful deprivation of life committed by the Government or its agents.

b. Disappearance

There were no reports of politically motivated disappearances.

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c. Torture and Other Cruel, Inhuman, or Degrading Treatment or Punishment

The Constitution prohibits such practices, and there were no reports that government officials employed them.

Prison conditions generally meet international standards, and the Government permits visits by independent human rights monitors. The sole prison is inspected regularly by government health and sanitation officials. There is a local chapter of the International Committee of the Red Cross (ICRC); however, it has not visited the prison.

d. Arbitrary Arrest, Detention, or Exile

The Constitution prohibits arbitrary arrest and detention, and the Government generally observes these prohibitions.

Warrants for arrests are prepared by the Office of the Attorney General and signed by a judge. Detainees have prompt access to families and lawyers. If a detainee cannot afford a lawyer, the Public Defender or a court appointed lawyer is available. There is a functioning system of bail. Lengthy pretrial detention is not a problem.

The Government does not use forced exile.

e. Denial of Fair Public Trial

The Constitution provides for an independent judiciary, and the Government generally respects this provision in practice.

The judiciary consists of the Supreme Court, the National Court, and the Court of Common Pleas. The President appoints judges to the Supreme Court and National Court from a list recommended by the Judicial Nominating Commission. Appointments are for life.

The Government has an independent special prosecutor and an independent public defender system. The Constitution provides for the right to a fair trial, and an independent judiciary generally enforces this right vigorously.

There were no reports of political prisoners.

f. Arbitrary Interference with Privacy, Family, Home, or Correspondence

The Constitution prohibits such actions, and the Government generally respects these prohibitions in practice.

Section 2 Respect for Civil Liberties, Including:

a. Freedom of Speech and Press

The Constitution provides for freedom of speech and of the press, and the Government generally respects these rights in practice. An independent press, an effective judiciary, and a functioning democratic political system combine to ensure freedom of speech and of the press.

The Internet is easily accessible; the Government does not control or limit its use.

Academic freedom is respected.

b. Freedom of Peaceful Assembly and Association

The Constitution provides for the freedoms of assembly and association, and the Government generally respects these rights in practice.

c. Freedom of Religion

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The Constitution provides for freedom of religion, and the Government generally respects this right in practice.

The Government does not promote or restrain religious activities; however, it regulates the establishment of religious organizations by requiring them to obtain charters as nonprofit organizations from the office of the Attorney General. This registration process is not protracted, and the Government did not deny any groups registration during the year.

Employers have complained to the Division of Labor in the Ministry of Commerce and Trade that the religious practices of Bangladeshi Muslims interfere both with activity in the workplace and with the living arrangements of the employing families. In response the Ministry decided in 1998 to deny work permits to Bangladeshi workers in the future. On July 21, the Ministry extended this policy to Indians and Sri Lankans. Workers present in the country at the time of the decision were not expelled.

d. Freedom of Movement Within the Country, Foreign Travel, Emigration, and Repatriation

The Constitution provides for these rights, and the Government generally respects them in practice.

The Government has not formulated a policy regarding refugees, asylees, or first asylum, and government practice remains undefined. However, there were no reports of the forced return of persons to a country where they feared persecution or the expulsion of anyone having a valid claim to refugee status. The issue of cooperation with the Office of the U.N. High Commissioner for Refugees and other humanitarian organizations in assisting refugees has never arisen.

Section 3 Respect for Political Rights: The Right of Citizens to Change Their Government

The Constitution provides citizens with the right to change their government peacefully, and citizens exercise this right in practice through periodic, free, and fair elections held on the basis of universal suffrage.

The Constitution provides for executive and legislative branches. The legislature, the Olbiil Era Kelulau, consists of 2 equal houses, the 9-member Senate and the 16-member House of Delegates. The President and Vice President are elected by popular vote and have no limit on the number of their terms, except that the President may only serve two consecutive terms. Although there have been political parties in the past, there were none during the year. In the November 2000 general elections, Vice President Tommy E. Remengesau, Jr., won the presidential race, and Senator Sandra S. Peratozzi became the first woman Vice President.

There are no legal impediments to women participating in government and politics; however, the percentage of women in government and politics does not correspond to their percentage of the population. After the election, women held office in 12 of the 16 state legislatures, where they constituted 11 percent of the membership (an increase from 7 percent in the previous election). No women were elected to the Olbiil Era Kelulau in the 2000 election. The controversy over seating Elias Chin as a senator following his election in November 2000 remained unresolved at year's end, pending clarification of his credentials and citizenship.

Section 4 Governmental Attitude Regarding International and Nongovernmental Investigation of Alleged Violations of Human Rights

A number of domestic and international human rights groups generally operate without government restraint, investigating and publishing their findings on human rights issues. Government officials are cooperative and responsive to their views.

The Palau Red Cross Society opened its office in 1996; in November 1997, the Palau Red Cross Society joined the International Federation of Red Cross and Red Crescent Societies.

Section 5 Discrimination Based on Race, Sex, Religion, Disability, Language, or Social Status

The Constitution prohibits discrimination on the basis of sex, race, place of origin, language, religion or belief, social status, or clan affiliation, and the Government observes these provisions.

Women

There were many incidents of violence against women, mainly domestic abuse. Alcohol and illegal drug abuse increasingly contributed to this problem. According to the Attorney General's office, the Government's Public

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Health Office, and women's groups, only a few such cases are reported to the authorities every year, but many more are believed to be unreported. Although assault is a criminal offense, women are reluctant to prosecute their spouses.

The law prohibits rape, including spousal rape; however, such crimes are not common. The Bureau of Public Health and the Bureau of Public Safety have urged all victims of crime, including rape, to report offenses.

Although prostitution is illegal, the law does not specifically prohibit sex tourism. Prostitution is a problem, and two Chinese nationals were convicted and deported during the year. A case against a Philippine citizen was pending at year's end.

The inheritance of property and of traditional rank is matrilineal, with women occupying positions of importance within the traditional system. Women serve by presidential appointment as bureau directors for human resources and clinical services. There were no reported instances of unequal pay for equal work or sex-related job discrimination.

Since 1993 local women's groups have organized an annual women's conference that focuses on women's and children's issues, including health, education, drug abuse, prostitution, and traditional customs and values. Government officials including the President, Vice President, ministers, and traditional chiefs have participated in the conference to discuss these issues. Women's group leaders and government officials agree that changes are needed to improve the country's educational system and to reduce illegal drug use among youth. The women's conference held in March continued its focus on previous issues and problems.

Children

The Government provides a well-funded system of public education and medical care for children. There is no difference in the treatment of girls and boys in educational opportunities, or in the availability of scholarships to attend postsecondary education abroad. Education is mandatory from ages 6 to 17. It is compulsory, free, and universal. Ninety-four percent of school-age children attend school; of these, 97 percent finish elementary school, and 78 percent complete high school. Girls and boys receive equal treatment in health care services.

There is no societal pattern of abuse directed against children. While there have been a few instances of child abuse, cases have been prosecuted successfully by the Office of the Attorney General. While children's rights generally are respected, there were reports of several instances of child neglect, which is a byproduct of the breakdown of the extended family. Child prostitution is neither accepted within society nor practiced.

Government officials and representatives from nongovernmental organizations agree that changes are needed to improve the educational system and to reduce illegal drug abuse among youth.

Persons with Disabilities

The National Code includes a Disabled Persons Antidiscrimination Act and a Handicapped Children Act, and the Government enforces the provisions of these acts. No instances of discrimination against persons with disabilities were reported. The law requires building access for persons with disabilities, and most government and business buildings have access for such persons. The public schools have established special education programs to address problems encountered by persons with disabilities.

National/Racial/Ethnic Minorities

Non-Palauans are prohibited from purchasing land or obtaining citizenship. The rapid increase in foreign workers, who according to the May 2000 census constitute nearly 30 percent of the population and 73 percent of the work force, is viewed negatively by a majority of citizens. Foreign residents are subject to some forms of discrimination and are targets of petty, and sometimes violent, crimes, as well as other random acts against person and property. Credible complaints are made by foreign residents that crimes against non-Palauans are not pursued or prosecuted by authorities with the same vigor as crimes against citizens. Certain foreign nationals experience generalized discrimination in employment, pay, housing, education, and access to social services, although such discrimination is prohibited by law. While precise data is lacking, there continued to be anecdotal reports regarding the abuse of workers' civil rights perpetrated against domestic servants, female bar workers, construction laborers, and other semiskilled workers, the majority of whom are from the Philippines, the People's Republic of China, and Taiwan. The most common abuses included misrepresentation of contract terms and conditions of employment, withholding of pay or benefits, and, at times, physical abuse (see Section 6.a.). In a number of instances, local authorities have taken corrective action when alerted by social service and religious organizations to which foreign workers have turned for

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assistance. Nonetheless, foreign workers often are reluctant to seek legal redress for fear of losing their employment and, thus, permission to remain in the country.

Section 6 Worker Rights

a. The Right of Association

The Constitution provides for the right of all persons to assemble peacefully or to associate with others for any lawful purpose, including the right to join and organize labor unions. There are no active employee organizations.

The Constitution does not provide for the right to strike, and the Government has not addressed this issue. There were no strikes during the year.

b. The Right to Organize and Bargain Collectively

There is no legislation concerning trade union organization, including collective bargaining, although there are no legal impediments to either. Wages in the cash economy are determined by market factors.

There are no export processing zones.

c. Prohibition of Forced or Compulsory Labor

The Constitution prohibits slavery or involuntary servitude except to punish crime. The law does not prohibit specifically forced and bonded labor by children; however, there were no reports that such practices occur. Instances were reported of foreign workers, especially domestic helpers and unskilled laborers, who were forced to accept jobs different from those for which they were recruited. The freedom of foreign workers to leave employment situations not to their liking may be hindered by verbal threats or the withholding of passports and return tickets to the country in which they were recruited.

There were reports that women and some men were trafficked to the country to work in karaoke bars as hostesses and prostitutes, as domestics in private homes, and on construction sites (see Section 6.f.).

d. Status of Child Labor Practices and Minimum Age for Employment

The Constitution states that the Government shall protect children from exploitation; children are protected by the general constitutional provision against forced and bonded labor, and such practices are not known to occur (see Section 6.c.). There is no minimum age for employment. Children typically are not employed in the wage economy, but some assist their families with fishing, agriculture, and other small-scale family enterprises. By regulation no foreigner under the age of 21 may be admitted into the country for employment purposes, and the Government enforces this regulation effectively.

The Government has not ratified ILO Convention 182 on the worst forms of child labor.

e. Acceptable Conditions of Work

The law sets the minimum wage at \$2.50 per hour. Foreign workers are not included under from the minimum wage law. The minimum wage appears to be sufficient to provide a worker and family with a decent standard of living. Anecdotal evidence indicates that unskilled workers for commercial firms (usually foreigners) are paid only \$1.50 to \$2.00 per hour. However, foreign workers usually are provided, in addition to their wages, with basic accommodations and food at no or nominal cost. Although these wages are low, the country continues to attract large numbers of foreign workers from the Philippines, People's Republic of China, and Taiwan. There are more than 7,000 foreign nationals with work permits in the country,

61 percent from the Philippines. Philippine-based illegal recruiters who falsified the workers' documents recruited a majority of the workers from the Philippines. These falsified documents eventually lead to problems between employers and employees. In 1998 the Philippines opened an embassy in Koror and informed the Government and the public about the Philippine Government recruiting office with responsibility for overseeing Philippine workers overseas and issuing overseas working permits. The Embassy has been working closely with the Government's Labor Division to resolve the problems created by the falsified documents, and it interceded in several cases involving allegations of worker abuse during the year; it also assisted in the

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repatriation of several workers.

There is no legislation concerning maximum hours of work, although most businesses are closed on either Saturday or Sunday. The Division of Labor has established some regulations regarding conditions of employment for nonresident workers. The Division may inspect the conditions of the workplace and employer-provided housing on specific complaint of the employees, but actual enforcement is sporadic. Working conditions vary in practice. No law specifically gives workers the right to remove themselves from situations that endanger their health or safety without jeopardy to their continued employment, and no law protects workers who file complaints about such conditions.

As the number of foreign workers increases, there continued to be increasing numbers of reports of mistreatment of such workers by their employers. These incidents of alleged mistreatment are common knowledge among the general public but rarely are reported to law enforcement authorities by the foreign workers due to fear of their employers. Some types of mistreatment that foreign workers consistently complain about include physical and verbal abuse; being required to work overtime and on days off without pay; employers withholding monthly salary; employers and recruiters deducting the amount of airfare from salaries; and substandard housing. Some workers also complained that they are not provided sufficient food. The foreign workers most likely to be abused are those who work under contracts and earn between \$100 and \$300 a month as domestic helpers, construction workers, farmers, waitresses, beauticians, and hostesses in karaoke bars and massage parlors. Under the terms of their contracts, they also are to be provided room and board and air travel from their home country to Palau and back after the termination of their contracts. It generally is assumed that legislators specifically exempted contract workers in the 1998 minimum wage bill to ensure a continued supply of low cost labor in industries that the legislators often control.

f. Trafficking in Persons

The Constitution does not prohibit specifically trafficking in persons. There were reports of women and some men being trafficked to the country from the People's Republic of China, Taiwan, and the Philippines to work in karaoke bars as hostesses and prostitutes, as domestics in private homes, and on construction sites. In one case, six Russian women were lured to the country with promises of legal employment; however, upon arrival in 1999 they were forced to engage in prostitution. Following complaints to police by several of the women, four People's Republic of China nationals were arrested, tried, convicted of conspiracy to commit prostitution (1-year sentence suspended), fined \$1,000, and deported in February. The freedom of foreign workers to leave employment situations not to their liking or into which they were forced may be hindered by verbal threats or the withholding of passports and return tickets to the country in which they were recruited (see Section 6.c.).

The country has no laws against trafficking in persons; however, there are laws against slavery, fraud, and prostitution. The Divisions of Immigration and Labor are involved in combating trafficking; however, the Government lacks funding and expertise to address the problem in practice. There is no formalized assistance available for victims, and victims normally are detained, jailed, or deported if they have committed a crime such as prostitution. There are no NGO's that specifically address trafficking.